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RUEHUL/AMEMBASSY SEOUL PRIORITY 5183

RUEHBY/AMEMBASSY CANBERRA PRIORITY 9324

RUEHLO/AMEMBASSY LONDON PRIORITY 1840

RUEHCHI/AMCONSUL CHIANG MAI PRIORITY 6022

RUEKJCS/SECDEF WASHINGTON DC PRIORITY

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RHEFDIA/DIA WASHDC PRIORITY

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C O N F I D E N T I A L SECTION 01 OF 04 BANGKOK 003780

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TAGS: PGOV PREL KDEM TH

SUBJECT: THAILAND'S DEMOCRACY FACES CONTINUED CHALLENGES,
ONE YEAR AFTER POST-COUP ELECTIONS

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Classified By: Ambassador Eric G. John, reason: 1.4 (b and d).

SUMMARY AND COMMENT

¶1. (C) Over the past year since the December 2007 post-coup elections, Thai politics have been dominated by a dramatic tug-of-war between the supporters and opponents of former Prime Minister Thaksin, with a wide range of actors in the latter camp deploying both traditional and unconventional tactics to wrest control of the government from Thaksin's surrogates at year's end and give the former opposition Democrat Party a chance to lead a cobbled-together coalition.

The year's developments demonstrated both the weaknesses and fissures in the Thai body politic, as well as systemic resiliency. Following the 2006 coup, the USG became a strong advocate for Thailand's return to elected government, and we lifted restrictions on military assistance immediately after the inauguration of an elected government in February 2008. We consistently emphasized to key actors our opposition to another military seizure of power, and we stressed that all actors should eschew violence and that any political changes should be in accordance with constitutional procedures and the rule of law.

¶2. (C) With the emergence of the Democrat-led coalition majority in parliament in late December, after two PPP-led administrations came under extreme pressure from the courts, unruly anti-government protesters, and the Army Commander, Thaksin's opponents can claim that they remained -- barely -- within the parameters we advocated. The Army Commander resisted pressure to launch a coup, though he made public recommendations to the Prime Minister that would have been inappropriate in most democracies. The Constitutional Court's decisions appear politicized, but do have a basis in law. The People's Alliance for Democracy (PAD)'s seizures of Bangkok's airports appear completely indefensible to us, although the demonstrators claim they engaged in peaceful political protests permitted by the Constitution.

¶3. (C) Looking forward, the new Democrat-led coalition will face the same harrassing street tactics from the pro-Thaksin red-shirts that the PPP-led coalitions faced from the PAD yellow-shirts. Occupied by economic challenges and saddled

with an ungainly coalition, Abhisit is unlikely to push aggressively for systemic reforms that might provide a foundation for more effective and stable governance. However, he can take some comfort from the fact that the institutions that countered Thaksin's efforts to regain influence -- the monarchy, the courts, and the military -- lean to his side. A year after post-coup elections, Thais still have much work to do before they can claim to have a strong, accountable, transparent, and fully functioning democracy. We will continue to work with Thais of all political persuasions to help them attain that goal. End Summary and Comment.

DECEMBER '07 - FEBRUARY '08: ELECTED GOVERNMENT RETURNS

¶4. (SBU) When leading military figures deposed Prime Minister Thaksin Shinawatra in September 2006, they promised to hold elections to restore democratically-elected governance within approximately one year. Few people took that goal for granted, especially as it became apparent that the interim administration would be unable to uproot Thaksin's network and erode his supporters' allegiance. Nevertheless, thanks in part to the determination of interim Prime Minister Surayud Chulanont, legislative elections took place on December 23, 2007.

¶5. (SBU) Thaksin loyalists formed the People's Power Party (PPP) to represent the former Prime Minister's interests; all other parties, new and old, went into the elections seemingly prepared to form an anti-Thaksin coalition. On election night, however, it became clear that the PPP, thanks to its rural base, had won a resounding plurality of MPs. Of the initially certified 477 MPs, 232 (49 percent) were PPP

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members, with the Democrat Party a distant second, with 164 seats. The overall vote totals were closer: both the PPP and the Democrats received slightly more than 12 million votes in the proportional list tally (12.3 million to 12.1 million), with the PPP enjoying a larger disparity in constituent votes, 18.3 million to 14.6 million. The country split geographically, with the PPP nearly sweeping the northeast and north, and the Democrats dominating Bangkok and the South.

¶6. (SBU) Typically pragmatic minor party leaders reassessed their circumstances and joined the PPP bandwagon, to the frustration of those behind the coup and other ardent opponents of Thaksin; the Democrats, the favored party of the coup makers and Thaksin opponents, were left as the sole opposition. PPP Leader Samak Sundaravej won election as Prime Minister by a vote of 310 to 163; Samak and his cabinet were sworn in on February 6.

MARCH - JUNE: PRESSURE BUILDS

¶7. (SBU) Once in office, PM Samak's government did not attempt to hide its advocacy of Thaksin's interests, making the amendment of the 2007 Constitution on its terms a top priority. Although politicians from all quarters had expressed dissatisfaction with elements of the 2007 Constitution, which was drafted by an assembly created by the 2006 coup leaders, Samak appeared focused primarily on removing provisions that could lead to PPP's dissolution (based on election law violations by a single party executive), as well as those that helped to support prosecutorial cases (built by an ad hoc investigatory body) against Thaksin.

¶8. (SBU) In retrospect, this approach was a critical strategic mistake, since the prospect of such a constitutional amendment brought the PAD back out into the streets in late May. The PAD had emerged out of a 2005 protest movement against Thaksin, and its large protests, drawing substantial support from the Bangkok elite and middle

class, played an important role in making the political environment conducive to 2006's coup. In the face of renewed PAD demonstrations, Samak backed off his plan to amend the Constitution. The PAD, however, sustained its protests, seizing on other issues -- such as Thai dealings with Cambodia over the status of the Preah Vihear temple, and comments about the monarchy made months previously by cabinet member Jakrapob Penkair. The disposition of the Preah Vihear temple became the main issue in the June Democrat Party-initiated no-confidence debate in the House.

JULY - SEPTEMBER: STREET MOBS AND THE COURTS ACT

¶9. (SBU) In July, the Constitutional Court ruled that the Samak administration had acted unconstitutionally in signing a May joint communique with the Cambodian government that supported the Preah Vihear temple's inscription on UNESCO's World Heritage List. Foreign Minister Noppadon Pattama resigned from office the following day. The Court also removed from office Health Minister Chaiya Sasomsab, finding he had violated strict financial disclosure rules, though Chaiya reemerged in the next Cabinet reshuffle. Separately, the Supreme Court upheld the Election Commission's disqualification of former PPP executive Yongyuth Tiyapairath for election violations, leaving the party vulnerable to dissolution under strict provisions of the Constitution and election law.

¶10. (SBU) In late August, PAD initiated what it termed "the final battle" against the Samak-led government. Earlier, in June, PAD protestors temporarily occupied Government House; conventional wisdom held that a clash between demonstrators and security forces might have prompted a coup. Samak appeared to act prudently in allowing PAD extraordinary leeway, and PAD soon vacated the Government House compound. After further strategizing, however, PAD reoccupied Government House on August 26 and pledged to remain there

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until Samak's resignation; for his part, Samak avoided the use of force.

¶11. (SBU) Yellow and red street mobs took matters into their own hands September 2, clashing in the middle of the night, leading to one death and Samak's declaration of a state of emergency. The security forces again chose not to use force against the street protesters, however; the Constitutional Court ruled on September 9 that Samak's role in a televised cooking show violated strict constitutional provisions on financial conflicts of interest, and he was forced out of office. Despite worsening factionalism within PPP, the party coalesced behind Thaksin's brother-in-law, Somchai Wongsawat, as its chosen successor to Samak, and PPP's coalition partners fell in line.

OCTOBER - DECEMBER: TIDE TURNS

¶12. (SBU) Mild-mannered Somchai was expected to provide a marked contrast to Samak's abrasive public persona, but PAD viewed him as simply another proxy of Thaksin. Shifting the goalposts, PAD leaders announced that they would continue to occupy Government House so long as Somchai remained in office and sought to block Somchai from delivering his constitutionally-mandated October 7 policy statement to the National Assembly. Somchai then did what Samak had avoided: he ordered the police to take action against the PAD to clear the way to parliament. After police used tear gas early in the morning, chaotic street clashes lasted into the night; two protesters died (one from a defective Chinese tear gas cannister fired by police; the other apparently blew himself up trying to rig an IED), and hundreds were injured, with PAD protesters using a variety of weapons in the melees.

¶13. (C) PAD had long benefited from a perception that

important "high ranking" figures supported the street movement. Any fudge factor disappeared when Queen Sirikit clearly signaled her backing by attending the funeral ceremony for a young woman killed in the October 7 clash. The move led to an immediate and lasting backlash against the politicization of the monarchy, with even many in royalist circles bemoaning this move. The upsurge of criticism of the monarchy prompted new efforts by the authorities to use lese majeste provisions of the criminal code to crack down on persons who spoke critically about the monarchy.

¶14. (SBU) The October 7 clash at the parliament also prompted Army Commander Anupong, flanked by other military and police commanders, to state on live TV that he believed Somchai should resign from office and call new elections. The call was echoed by others, including the opposition and a number of senators. Somchai called for patience, as an investigative body began looking into the incident at the parliament.

¶15. (SBU) Two weeks later, the Supreme Court convicted Thaksin to two years' imprisonment for violating Article 100 of the National Counter Corruption Act, which prohibits government officials from doing business with a state agency. Anticipating the guilty verdict, Thaksin had failed to return to Thailand after attending the Olympics, traveling to the UK instead. Thaksin continued to exert influence through Somchai and other loyal lieutenants, and made a series of phone-in and video appearances at "red" rallies, but the conviction made it much more difficult for him to attempt to return to Thailand in the short term and resume a direct political role.

¶16. (SBU) In November, after unknown assailants launched a series of explosive devices into the Government House compound at night, killing an anti-government sympathizer and causing dozens of injuries, the PAD once again went on the march. Launching a renewed "final battle" three months after the first, shutting Bangkok airports on the night of November 25, they demanding that Somchai dissolve the House of Representatives, enabling new elections. Somchai refused to give in to PAD's demand, even when Army Commander Anupong,

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surrounded by other soldiers and leading civil servants, again publicly called for him to do so. Like Samak before him, Somchai declared a State of Emergency but proved either unwilling or unable to force the demonstrators' eviction from the airports. The stalemate had a devastating impact on Thailand's economy and international image.

¶17. (SBU) With the protesters and Army having clearly signaled their views, and Bangkok's traditionally apolitical business elite joining the chorus for a change in direction, the Constitutional Court, in a seemingly accelerated process, issued a December 2 ruling that dissolved the PPP because of Yongyuth's transgressions in the 2007 elections. PAD cleared out from the airports, and a breakaway faction of PPP joined with other political parties in defecting to the Democrats. On December 15, the House elected Democrat Party Leader Abhisit Vejjajiva as the next Prime Minister. Abhisit and his cabinet were sworn in on December 22, one day short of the anniversary of 2007's elections, delivering a coalition government minus the core pro-Thaksin political force that a year earlier many had expected would emerge.

LOOKING AHEAD TO 2009: POLITICAL DRAMA SET TO CONTINUE

¶18. (SBU) Thaksin and his allies, meanwhile, show no signs of backing off their activities. Formally, most of the MPs from the banned PPP have joined the Puea Thai party, which is the largest party in parliament despite disqualifications and defects; they show every sign that they will be an active, aggressive opposition in the parliament. Puea Thai is backed up by a network of street protestors commonly called

"redshirts," formally known as the United Front for Democracy against Dictatorship (UDD), which on December 29 adopted yellowshirt tactics to blockade parliament and prevent PM Abhisit from delivering his policy statement. While the tension is currently less than during the height of PAD protests, and coup talk has receded, there is no end in sight for the polarization characterizing Thai politics.

JOHN